

Treasury Franchise Fund
Consolidated Balance Sheet
As of September 30, 2001 and 2000

ASSETS
Intragovernmental Assets

Fund Balance with Treasury (Note 2)	\$54,634,606	\$40,659,724
Accounts Receivable, Net (Note 3)	30,404,454	23,424,964
Advances & Prepayments	166,337	88,315
Total Intragovernmental Assets	85,205,397	64,173,003

Assets with the Public

Accounts Receivable, Net (Note 3)	423,106	384,841
Advances & Prepayments	16,341	16,410
Inventory Held for Resale	159,410	159,410
Property, Plant & Equipment, Net (Note 5)	3,701,120	778,197
Total Assets with the Public	4,299,977	1,338,858

TOTAL ASSETS

\$89,505,374	\$65,511,861
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LIABILITIES
Intragovernmental Liabilities

Accounts Payable	\$188,755	\$127,275
Accrued Liabilities (Note 6)	997,753	3,561,603
Advances From Others	24,850,105	15,493,486
Total Intragovernmental Liabilities	26,036,613	19,182,364

Liabilities with the Public

Accounts Payable	20,625,044	8,149,201
Accrued Liabilities (Note 6)	23,449,651	23,881,587
Advances From Others	27,413	26,708
Total Liabilities with the Public	44,102,108	32,057,496

TOTAL LIABILITIES

\$70,138,721	\$51,239,860
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NET POSITION

Invested Capital (Note 4)	\$3,746,219	\$3,746,219
Cumulative Results of Operations (Note 4)	15,620,434	10,525,782
Total Net Position	19,366,653	14,272,001

TOTAL LIABILITIES AND NET POSITION

\$89,505,374	\$65,511,861
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The accompanying notes are an integral part of these financial statements.

Treasury Franchise Fund**Consolidated Statement of Net Cost and Results of Operations**

For the years ended September 30, 2001 and 2000

	Fiscal Year 2001	Fiscal Year 2000
CONSOLIDATED / INTEGRATED ADMINISTRATIVE MANAGEMENT		
Costs	\$165,951,436	\$109,569,381
Less: Earned Revenue	168,039,937	112,246,716
Net Cost	(2,088,501)	(2,677,335)
Financing Sources (Other than Exchange Revenues)	214,741	199,621
Current Results of Operations (Financing Sources less Net Cost)	\$2,303,242	\$2,876,956
FINANCIAL SYSTEMS, CONSULTING AND TRAINING		
Costs	16,374,959	21,462,390
Less: Earned Revenue	16,974,369	20,800,236
Net Cost	(599,410)	662,154
Financing Sources (Other than Exchange Revenues)	498,170	770,600
Current Results of Operations (Financing Sources less Net Cost)	\$1,097,580	\$108,446
FINANCIAL MANAGEMENT ADMINISTRATIVE SUPPORT SERVICES		
Costs	36,106,830	32,384,134
Less: Earned Revenue	36,577,003	30,209,029
Net Cost	(470,173)	2,175,105
Financing Sources (Other than Exchange Revenues)	1,223,657	1,035,605
Current Results of Operations (Financing Sources less Net Cost)	\$1,693,830	(\$1,139,500)
FUND TOTAL		
Costs (Note 7)	218,433,225	163,415,905
Less: Earned Revenue	221,591,309	163,255,981
Net Cost	(3,158,084)	159,924
Financing Sources (Other than Exchange Revenues) (Note 8)	1,936,568	2,005,826
Current Results of Operations (Financing Sources less Net Cost)	\$5,094,652	\$1,845,902

The accompanying notes are an integral part of these financial statements.

Treasury Franchise Fund
Consolidated Statement of Changes in Net Position
For the years ended September 30, 2001 and 2000

	<u>Fiscal Year 2001</u>	<u>Fiscal Year 2000</u>
INVESTED CAPITAL		
Total Invested Capital	<u>\$3,746,219</u>	<u>\$3,746,219</u>
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balance (As reported 9/30/99)	\$10,525,782	\$8,993,729
Prior Period Adjustments	0	(313,849)
Adjusted Beginning Balance	10,525,782	8,679,880
Current Results of Operations	5,094,652	1,845,902
Ending Balance	<u>\$15,620,434</u>	<u>\$10,525,782</u>
TOTAL NET POSITION ENDING BALANCE	<u>\$19,366,653</u>	<u>\$14,272,001</u>

The accompanying notes are an integral part of these financial statements.

Treasury Franchise Fund Combined Statement of Budgetary Resources

For the years ended September 30, 2001 and 2000

	<u>Fiscal Year 2001</u>	<u>Fiscal Year 2000</u>
BUDGETARY RESOURCES		
Unobligated Balance	71,852,926	29,312,662
Spending Authority from Offsetting Collections	253,272,027	209,378,960
Adjustments	9,462,096	5,631,171
Total Budgetary Resources	\$334,587,049	\$244,322,793

STATUS OF BUDGETARY RESOURCES

Obligations Incurred	230,553,256	172,469,867
Unobligated Balances Available	104,033,793	71,852,926
Total Status of Budgetary Resources	\$334,587,049	\$244,322,793

OUTLAYS

Obligations Incurred	230,553,256	172,469,867
Less: Spending Authority From Offsetting Collections and Adjustments	262,734,123	215,010,132
Obligated Balance, Net - Beginning of Period	(31,193,144)	(9,783,204)
Less: Obligated Balance	49,399,187	(31,193,144)
Totals Outlays	(\$13,974,824)	(\$21,130,325)

The accompanying notes are an integral part of these financial statements.

Treasury Franchise Fund
Combined Statement of Financing
 For the years ended September 30, 2001 and 2000

	<u>Fiscal Year 2001</u>	<u>Fiscal Year 2000</u>
OBLIGATIONS & NONBUDGETARY RESOURCES		
Obligations Incurred	\$230,553,256	\$172,469,867
Less: Spending Authority from Offsetting Collections and Adjustments	262,734,123	215,010,132
Financing Imputed for Cost Subsidies	1,936,568	2,005,826
Total Obligations as Adjusted and Nonbudgetary Resources	(\$30,244,299)	(\$40,534,439)
RESOURCES THAT DO NOT FUND NET COST OF OPERATIONS		
Change in Amount of Goods Services and Benefits Ordered but Not Yet Provided (Net Increases) Net Decreases	2,234,779	(2,555,267)
Change in Unfilled Customer Orders	27,790,301	43,705,819
Costs Capitalized on the Balance Sheet (Increases) Decreases	(3,109,474)	(413,130)
Other	(15,941)	(301,593)
Total Resources That Do Not Fund Net Costs of Operations	\$26,899,665	\$40,435,829
COSTS THAT DO NOT REQUIRE RESOURCES		
Depreciation and Amortization	186,550	198,871
Other	0	59,663
Total Costs That Do Not Require Resources	\$186,550	\$258,534
NET COST OF OPERATIONS	(\$3,158,084)	\$159,924

The accompanying notes are an integral part of these financial statements.